

REJOINDER TO INDIGENOUS COMPANIES CLAIMS ON LOCAL CONTENT

Our attention has been drawn to a news story sponsored by the indigenous operators in the oil and gas industry accusing PENGASSAN of triggering an impending catastrophe in the nation's oil and gas industry following unsuccessful bid by indigenous companies to retain indigenous workers they groomed under various capacity building programmes that took substantial investments.

While we would not discountenance the fact that we have challenges with the indigenous operators in the industry, it is pertinent to categorically state that our face off with the companies was premised on their lack of respect for the laws of the land and constitutional provisions guiding their operations and relationship with their employees, especially as regards the rights and privileges of the workers.

PENGASSAN is an association of senior staff in the oil and gas industry and the clear mandate which form the fulcrum of its objectives are job security for our members, ensure a safe and healthy work environment, improve the terms and conditions of employment, and support and promote legislations in the interest of our members in particular and Nigeria in general.

In the light of this, our Association cannot fold its arms when some organisations, especially the indigenous companies, who ought to be

defending the Constitution of the country and protecting the rights of their fellow Nigerians, are flagrantly disobeying the laws and enslaving their fellow countrymen and women.

The real issue between our Association and the indigenous operators is their hatred for unionism under any guise but not due to demand for excessive exit package as alleged in the news story. This phobia for unionism leads to immediate sack of workers who showed interest in the membership of the union.

The penchant for managements of indigenous oil companies, especially their directors' craze for acquisition of wealth and exhibition of it through the purchase and use of exotic cars and private jets while disregarding their employees' welfare has been a bane in prudent management of such organizations and their resources forgetting that these workers are the golden goose that lay the golden egg.

The preference for cheap labour and slave work as well as blatant disregard to the rule of law, while flaunting their connection with the political class in total disregard of Section 40 of the 1999 Constitution of the Federal Republic of Nigeria and Article 10 of the African Charter on Human and Peoples' Rights (Ratification and Enforcement) Act, ILO Conventions 89 and 98 and even the OECD guidelines which address Freedom of Association. Their disdain for the extant

labour laws and other international treaties, particularly the ILO Treaties, to which Nigeria is a signatory and guarantee workers right to belong to any union of their choice and right to Collective Bargaining, does not only hamper industrial harmony but also jeopardise the welfare of their employees, who incidentally are our members in the industry.

It is important to state emphatically that the Nigerian indigenous companies operating in the Oil and Gas industry have always run foul of respecting established global labour laws and in particular the laws of the country.

The questions are: Why is it difficult for indigenous companies, including the Ciscor, which was quoted in the news story as going bankrupt as a result of PENGASSAN's action to respect these laws? Why are they not respecting the CBAs that were legally signed by both parties? Or is it out of place for the workers to ask for a CBA to guide their dealings with their employers? Why is it that it is only the indigenous employers that run foul of the right to unionisation which is allowed by the IOCs? If they have issues with the implementation of the CBA, why will they not go back to the table with the employee representatives instead of embarking on cheap blackmail, baseless attacks on the integrity of PENGASSAN and unilateral decision of severing the workers from their jobs or rendering those workers redundant?

There is need to state that the Nigerian Content Development Act defines Nigerian Content as: ‘the quantum of composite value added to or created in the Nigerian economy by a systematic development of capacity and capabilities through the deliberate utilization of Nigerian human, material resources and services in the Nigerian oil and gas industry.

Perhaps, the ranting companies should be reminded that the Nigerian Content Law was enacted to encourage Nigerians to take ownership of the operations in the industry through the transfer of technical know-how and use of local raw materials. The Act draws strength from the countless struggles of PENGASSAN and NUPENG for the development of Nigerian content and Nigerianisation of the oil and gas industry. PENGASSAN has always championed the struggle for the increased participation of Nigerians in the industry

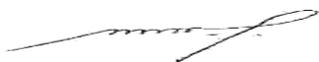
Regrettably, the same Nigerians who are beneficiaries of our struggles are the ones that now devise all manner of anti-labours schemes aimed at strangulating and undermining the same group that fought for Nigerianisation and Nigerian Content.

Most of the companies that are ranting over PENGASSAN's observance of strict rules of engagement with the workers in their employ obviously have something to hide from Nigerians who

deserve to ask question and know the real reasons why they cannot settle the severance pay of their ex-workers, which they jointly agreed with workers as contained in the CBA.

PENGASSAN as an Association believes in robust relationship that is mutually beneficial. We fought for the Local Content Law that these indigenous companies are currently benefiting from and they should therefore treat their workers with respect and as social partners and we will not fold our hands while Nigerians are being treated as SLAVES in their own country.

Meanwhile let us state that it is not always in PENGASSAN best interest to embark on industrial action, which is the last weapon used by any trade union to press home their demands. We do only when every efforts of the Association's leadership have been frustrated and fire brigade approach by employers, especially government agencies and indigenous companies, resort to despite due process of notices.



Comrade Fortune Obi
National PRO
PENGASSAN